**FORM** 2210ME 1999

## Underpayment of Estimated Tax by Individuals Enclose with your Form 1040ME

(See instructions on back)

990211800

For	calendar year 1999 or fiscal year beginning,	1999 and ending,,						
Nam	ne(s) as shown on Form 1040ME			Your Social	Security Number	7		
				-		_		
Part	I — Calculating Your Underpayment							
1.	1999 tax, line 26, Form 1040ME							
2.	Multiply tax on line 1 by 90% (66 2/3% for farmers and fishermen)							
3.	1999 Withholding Tax, line 28a, Form 1040ME							
4.	Subtract line 3 from line 1. If the result is less than \$1,000, do not complete or file this fo	rm						
5.	1998 tax (If short year, enter the amount on line 2), line 26, 1998 Form 1040ME							
6.	Enter the smaller of line 2 or line 5							
7.	Divide the amount on line 6 by 4. Enter result here							
8.	Due dates for estimated tax payments	A April 15, 1999	B June 15, 1999	C Sept. 15, 1999	D Jan. 15, 2000			
9.	Estimated tax due. Enter amount from line 7 above or line 25 of annualized worksheet under each payment due date							
10.	Less tax payments. a Tax withheld (Enter 25% [0.25] of line 3 in each column)					_		
	b Estimated tax paid							
	c Amount carried forward (overpaid) from line 11b, previous column. For column A, enter credit carried forward from previous tax year							
	d Total. Add lines 10a, 10b and 10c					4		
11.	Subtract line 10d from line 9					4		
	a If line 9 is larger than line 10d, enter the <u>underpayment</u> here							
	b If line 10d is larger than line 9, enter overpayment here							
Part	II — Calculating the Penalty — For Quarters with entries on line 11a							
				<u> </u>	1	_		
12.	Enter date of payment of the underpayment on line 11a or the 15th day of the fourth month after close of taxable year, whichever is earlier							
13.	Number of months from due date of installment (line 8) to date shown on line 12.  A part of a month is considered a whole month					_		
14.	Enter the rate from the table on page 26					_		
15.	Underpayment Penalty — Multiply underpayment on line 11a by the rate on line14					_		
16.	Total of amounts shown on line 15. Enter result here and on Form 1040ME, line 35b (If liability is zero, then do not file this form. However, if you used the annualized inco				unt is zero.)			

Check here and on line 35b, Form 1040ME, if you use the annualized income installment method.

## **FORM 2210ME INSTRUCTIONS**

Purpose of Form. Use this form to see if you must pay a penalty for underpaying your estimated tax. Use Part I to see if you paid enough estimated tax on time. If you did not, use Part II to calculate the penalty on any underpayment.

Who Must Pay the Underpayment Penalty? In general, you will owe an underpayment penalty if your 1999 tax liability less allowable credits and withholding is more than \$1,000 or your 1998 tax liability was more than \$1,000.

You will not owe an underpayment penalty or need to file this form if your 1999 tax liability reduced by allowable credits and withholding taxes is less than \$1,000, or your 1998 tax liability was less than \$1,000. Even though you are required to file this form, you will avoid the underpayment penalty if you paid at least 90% of the 1999 tax on time.

**Farmers and Fishermen.** If you are a farmer or a fisherman who files an income tax return and pays the tax liability in full on or before March 1 of the following year, no penalty is due.

Actual Liability for Each Quarter. Individuals must make four (4) equal installment payments of estimated tax unless they can document the actual liability for each required installment of estimated tax. If you use the actual liability method, complete the Annualized Installment Worksheet (available upon request, call 207-624-7894). Also check the box below line 16 on this form and on Form 1040ME, line 35b.

Computation of Underpayment Penalty. Calculate the penalty on the amount of the underpayment of each installment for the period of underpayment. The penalty rate for calendar years 1999 and 2000 is 0.75% per month or fraction thereof, compounded monthly. Enter on line 14 the appropriate rate from the table below that corresponds to the number of months shown on line 13. Multiply the underpayment on line 11a by the rate on line 14 and enter the result on line 15. Penalty for the 4th required payment is waived if the tax return for the taxable year is filed and tax paid by January 31.

Number of Months shown on Line 13		2	3	4	5	6	7	8	9	10	11	12
Enter this Rate on line 14, column A	.007500	.015056	.022669	.030339	.038067	.045852	.053696	.061599	.069561	.077583	.085664	.093807
Enter this Rate on line 14, column B	.007500	.015056	.022669	.030339	.038067	.045852	.053696	.061599	.069561	.077583		
Enter this Rate on line 14, column C		.015056	.022669	.030339	.038067	.045852	.053696					
Enter this Rate on line 14, column D	.007500	.015056	.022669									